

Veterans FY 2006 Supplemental Appropriations Act House File 2080

FINAL ACTION

January 18, 2006

An Act revising and making appropriations involving veterans programs for the fiscal year beginning July 1, 2005, and providing an effective date.

**Fiscal Services Division
Legislative Services Agency**

NOTES ON BILLS AND AMENDMENTS (NOBA)

Available on line at <http://www3.legis.state.ia.us/noba/index.jsp>

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**EXECUTIVE SUMMARY
NOTES ON BILLS AND AMENDMENTS**

**HOUSE FILE 2080
VETERANS FY 2006 SUPPLEMENTAL APPROPS. ACT**

**NATIONAL GUARD EDUCATIONAL
ASSISTANCE PROGRAM FY 2006
CARRYFORWARD**

**IOWA VETERANS HOME FY 2006
DEAPPROPRIATION**

- Permits carryforward of FY 2006 funds appropriated to the College Student Aid Commission for the National Guard Educational Assistance Program. (Page 1, Line 1)

- Deappropriates \$3.0 million from the FY 2006 General Fund appropriation to the Iowa Veterans Home due to additional Medical Assistance (Medicaid) revenues as a result of federal changes. Provides legislative intent to appropriate funding from the Rebuild Iowa Infrastructure Fund (RIIF) to support projects at the Home. (Page 1, Line 10)

NOTE: House File 2782 (FY 2007 Infrastructure Appropriations Bill) appropriated \$6.2 million to the Iowa Veterans Home for infrastructure funding from the Endowment for Iowa's Health Restricted Capitals Fund. House File 2734 (FY 2007 Health and Human Services Appropriations Bill) provides that an estimated \$6.0 million will be carried forward from the General Operating Budget of the Iowa Veterans Home to be transferred to the RIIF appropriation for a total of \$12.2 million for infrastructure.

**VETERANS APPRECIATION
PROGRAM**

- Appropriates \$1.0 million from the General Fund for FY 2006 for the Veterans Appreciation Program, if the Program is enacted. Provides for the reversion of the money if the Program is not enacted. (Page 1, Line 23)

NOTE: Senate File 2312 (Injured Veterans Grant Program Act) created the Program and renamed it the Injured Veterans Grant Program.

**HOME OWNERSHIP ASSISTANCE
PROGRAM**

- Appropriates \$2.0 million from the General Fund for FY 2006 to continue the Home Ownership Assistance Program that assists Iowa National Guardsmen and Reservists with up to \$5,000 in down payment and closing costs towards the purchase of a home. (Page 2, Line 8)

**HOME OWNERSHIP ASSISTANCE
PROGRAM CARRYFORWARD
TRANSFER TO IOWA FINANCE
AUTHORITY**

- Specifies that any money remaining from the Program carry forward into FY 2008 and be available for expenditure. (Page 2, Line 19)
- Transfers the appropriation to the Iowa Finance Authority (IFA) for the Home Ownership Assistance Program for persons that are eligible members of the United States Armed Forces. Requires the surviving spouse be eligible for a loan under the Program in the event the eligible member is deceased, and specifies participation in the Program through FY 2007. (Page 2, Line 24)

**EFFECTIVE DATE
ENACTMENT DATE**

- This Act takes effect on enactment. (Page 3, Line 8)
- This Act was approved by the General Assembly on January 18, 2006, and signed by the Governor on January 23, 2006.

House File 2080

House File 2080 provides for the following changes to the Code of Iowa.

| Page # | Line # | Bill Section | Action | Code Section | Description |
|--------|--------|--------------|----------|---|--|
| 1 | 1 | 1 | Amends | Sec. 2.4, Chapt. 169, 2005 Iowa Acts | Carryforward of FY 2006 National Guard Educational Assistance Program Funds |
| 1 | 10 | 2 | Amends | Sec. 4.2, Chapt. 175, 2005 Iowa Acts | Iowa Veterans Home FY 2006 Deappropriation |
| 1 | 23 | 3 | Adds | Sec. 4.3, Chapt. 175, 2005 Iowa Acts | Veterans Appreciation Program Appropriation |
| 2 | 8 | 3 | Amends | Sec. 21.5, Chapt. 179, 2003 Iowa Acts, as enacted and amended | Home Ownership Assistance Program Appropriation |
| 2 | 19 | 3 | Nwthstnd | Sec. 8.33 | Permits Nonreversion of Funds |
| 2 | 24 | 4 | Amends | Sec. 21.5, Chapt. 179, 2003 Iowa Acts, as enacted and amended | Authorizes Continuation of the Home Ownership Assistance Program |

1 1 Section 1. 2005 Iowa Acts, chapter 169, section 2,
 1 2 subsection 4, is amended by adding the following new
 1 3 unnumbered paragraph:
 1 4 NEW UNNUMBERED PARAGRAPH. Notwithstanding section 8.33,
 1 5 moneys appropriated in this subsection that remain
 1 6 unencumbered or unobligated at the close of the fiscal year
 1 7 shall not revert but shall remain available for expenditure
 1 8 for the purposes designated until the close of the succeeding
 1 9 fiscal year.

CODE: Requires that any remaining money from the FY 2006 General Fund appropriation for the National Guard Educational Assistance Program carry forward into FY 2007 and expended for the Program.

DETAIL: The FY 2006 appropriation was \$3,800,000. A carryforward from the original appropriation is not expected.

1 10 Sec. 2. 2005 Iowa Acts, chapter 175, section 4, subsection
 1 11 2, is amended to read as follows:
 1 12 2. IOWA VETERANS HOME
 1 13 For salaries, support, maintenance, miscellaneous purposes,
 1 14 and for not more than the following full-time equivalent
 1 15 positions:
 1 16 \$ 16,309,443
 1 17 13,309,443
 1 18 FTEs 855.22
 1 19 It is the intent of the general assembly to appropriate at
 1 20 least \$3,000,000 in funding from the rebuild Iowa
 1 21 infrastructure fund to support necessary projects at the Iowa
 1 22 veterans home.

CODE: General Fund FY 2006 deappropriation from the Iowa Veterans Home.

DETAIL: This is a decrease of \$3,000,000 compared to the original FY 2006 appropriation. Due to changes in federal action, the Medicaid payments to the Iowa Veterans Home increased an estimated \$3,428,155 in FY 2005 and \$5,568,265 in FY 2006 and future fiscal years. The Iowa Medicaid Program did not increase the required payment in FY 2005 and will pay the Veterans Home the combined FY 2005 and FY 2006 payments of \$8,996,420 in FY 2006. These amounts are included in the FY 2006 Medicaid supplemental payment and the FY 2007 built-in Medicaid expenditure. With the decrease of \$3,000,000, the Iowa Veterans Home retains \$5,996,420 in additional Medicaid funding in FY 2006. Also, specifies legislative intent to appropriate funds from the Rebuild Iowa Infrastructure Fund (RIIF) to support projects at the Veterans Home. House File 2782 (FY 2007 Infrastructure Appropriations Bill) appropriates \$6,200,000 for infrastructure at the Veterans Home from the Endowment for Iowa's Health Restricted Capitals Fund. House File 2734 (FY 2007 Health and Human Services Appropriations Bill) permits the \$5,996,420 to be added to the RIIF appropriation for infrastructure purposes. The Veterans Home intends to match available federal funding with State funds. The match rate is 35.00% State and 65.00% federal.

1 23 Sec. 3. 2005 Iowa Acts, chapter 175, section 4, is amended
 1 24 by adding the following new subsections:

CODE: General Fund contingent supplemental appropriation for FY 2006 to the Veterans Commission for a Veterans Appreciation

1 25 NEW SUBSECTION. 3. VETERANS APPRECIATION PROGRAM

1 26 For implementation of a new veterans appreciation program,
 1 27 contingent upon enactment of law by the Eighty-first General
 1 28 Assembly, 2006 Session, codifying the new program requirements
 1 29 in chapter 35A, for providing hardship grants to military
 1 30 veterans seriously injured in a combat zone since September
 1 31 11, 2001:

1 32 \$ 1,000,000

1 33 If the general assembly enacts law codifying a new fund or
 1 34 other requirements for the new program for which the
 1 35 appropriation is made in this subsection, then notwithstanding
 2 1 section 8.33, moneys appropriated in this subsection that
 2 2 remain unencumbered or unobligated at the close of the fiscal
 2 3 year shall not revert but shall remain available for
 2 4 expenditure for the purposes designated until the close of the
 2 5 succeeding fiscal year. However, if the general assembly does
 2 6 not enact such law, the appropriation made in this subsection
 2 7 shall revert as provided in section 8.33.

2 8 NEW SUBSECTION. 4. HOME OWNERSHIP ASSISTANCE PROGRAM

2 9 For transfer to the Iowa finance authority to be used for
 2 10 continuation of the home ownership assistance program for
 2 11 persons who are or were eligible members of the armed forces
 2 12 of the United States, implemented pursuant to 2003 Iowa Acts,
 2 13 chapter 179, section 21, subsection 5, as amended by 2005 Iowa
 2 14 Acts, chapter 161, section 1, and chapter 115, section 37:
 2 15 \$ 2,000,000

2 16 a. The Iowa finance authority shall give priority to
 2 17 processing the applications for assistance received after the
 2 18 original allotment of funding for the program was exhausted.

2 19 b. Notwithstanding section 8.33, moneys appropriated in

Program.

DETAIL: This is a new appropriation for FY 2006. Requires that funds be used for grants to military veterans seriously injured in a combat zone since September 11, 2001. Provides that the funds are contingent upon enactment of the Program and, if enacted, the funds do not revert June 30, 2006. If the Program is not enacted, the funds revert to the General Fund June 30, 2006. Senate File 2312 (Injured Veterans Grant Program Act) was enacted for the expenditure of these funds.

CODE: General Fund supplemental appropriation for FY 2006 to the Commission of Veterans Affairs for transfer to the Iowa Finance Authority for the Home Ownership Assistance Program.

DETAIL: This is an increase of \$2,000,000 to continue the Program. During the 2005 Legislative Session, Senate File 75 (Military Differential Program Changes Act) transferred \$1,000,000 to the Iowa Finance Authority (IFA) for a home ownership assistance program to assist current and former Iowa National Guard members, Iowa-based reserves, and Iowa active duty personnel that are purchasing a home in Iowa with up to \$5,000 in down payment and closing costs.

Requires the Iowa Finance Authority (IFA) to give priority to applicants that submitted applications prior to the expiration of the original funding.

CODE: Permits carryforward of funds for the Home Ownership

2 20 this subsection that remain unencumbered or unobligated at the
2 21 close of the fiscal year shall not revert but shall remain
2 22 available for expenditure for the purposes designated until
2 23 the close of the fiscal year beginning July 1, 2007.

Assistance Program through FY 2008.

2 24 Sec. 4. 2003 Iowa Acts, chapter 179, section 21,
2 25 subsection 5, as enacted by 2005 Iowa Acts, chapter 161,
2 26 section 1, and amended by 2005 Iowa Acts, chapter 115, section
2 27 37, is amended to read as follows:
2 28 5. The remainder of the funds appropriated in this section
2 29 are transferred to the Iowa finance authority to be used for a
2 30 home ownership assistance program for persons who are eligible
2 31 members of the armed forces of the United States. In the
2 32 event an eligible member is deceased, the surviving spouse of
2 33 the eligible member shall be eligible for a loan under the
2 34 program, subject to the surviving spouse meeting the program's
2 35 eligibility requirements other than the military service
3 1 requirement. For the purposes of this subsection, "eligible
3 2 member of the armed forces of the United States" means a
3 3 resident of this state who is or was a member of the national
3 4 guard, reserve, or regular component of the armed forces of
3 5 the United States who has served at least ninety days of
3 6 active duty service during the period beginning September 11,
3 7 2001, and ending June 30, ~~2006~~ 2007.

CODE: Authorizes continuation of the Home Ownership Assistance
Program through FY 2008.

3 8 Sec. 5. EFFECTIVE DATE. This Act, being deemed of
3 9 immediate importance, takes effect upon enactment.

Specifies that the Bill takes effect upon enactment.

3 10 EXPLANATION

3 11 This bill revises and makes appropriations involving
3 12 veterans programs for the fiscal year beginning July 1, 2005.
3 13 The bill provides that the unexpended or unobligated
3 14 portion of an appropriation made to the college student aid
3 15 commission in 2005 Iowa Acts, chapter 169, for purposes of the
3 16 national guard educational assistance program does not revert

3 17 at the close of the fiscal year but remains available for
3 18 expenditure for the program in the succeeding fiscal year.
3 19 The bill reduces an appropriation made to the Iowa veterans
3 20 home in 2005 Iowa Acts, chapter 175, by \$3 million and makes
3 21 new appropriations for other veterans programs in an amount
3 22 equivalent to the reduction.
3 23 The bill includes legislative intent to appropriate at
3 24 least \$3 million in funding from the rebuild Iowa
3 25 infrastructure fund to support necessary projects at the Iowa
3 26 veterans home.
3 27 The first new appropriation is for a new veterans
3 28 appreciation program for military veterans seriously injured
3 29 in a combat zone since September 11, 2001. This appropriation
3 30 is contingent upon enactment of new law codifying the new
3 31 program requirements. The bill also provides nonreversion
3 32 authority contingent upon enactment of the codified
3 33 provisions.
3 34 The other new appropriation is required to be transferred
3 35 to the Iowa finance authority to continue a home ownership
4 1 assistance program for persons who are or were eligible
4 2 members of the armed forces of the United States. This
4 3 appropriation does not revert until the close of fiscal year
4 4 2007-2008.
4 5 The bill also amends session law to extend the eligibility
4 6 period of the home ownership program by one year to June 30,
4 7 2007.
4 8 The bill takes effect upon enactment.
4 9 LSB 5908HV 81
4 10 jp:mg/sh/8

Health and Human Services

General Fund

| H.F. 2080 | Actual FY 2005 (1) | Estimated FY 2006 (2) | S-Final Act. FY 2006 (3) | Est Net FY 2006 (4) | Gov Rec FY 2007 (5) | Final Action FY 2007 (6) | Final Act vs Est Net FY06 (7) | Page & Line Number (8) |
|--|--------------------------|-----------------------------|--------------------------------|---------------------------|---------------------------|--------------------------------|-------------------------------------|------------------------------|
| <u>Veterans Affairs, Comm. of</u> | | | | | | | | |
| Iowa Veterans Home | \$ 16,309,443 | \$ 18,446,049 | \$ -3,000,000 | \$ 15,446,049 | \$ 13,569,501 | \$ 0 | \$ -15,446,049 | PG 1 LN 10 |
| Veterans Appreciation Prog. | 0 | 0 | 1,000,000 | 1,000,000 | 0 | 0 | -1,000,000 | PG 1 LN 23 |
| Home Ownership Assist. | 0 | 0 | 2,000,000 | 2,000,000 | 0 | 0 | -2,000,000 | PG 2 LN 8 |
| Total Veterans Affairs, Comm. of | \$ 16,309,443 | \$ 18,446,049 | \$ 0 | \$ 18,446,049 | \$ 13,569,501 | \$ 0 | \$ -18,446,049 | |
| Total Health and Human Services | \$ 16,309,443 | \$ 18,446,049 | \$ 0 | \$ 18,446,049 | \$ 13,569,501 | \$ 0 | \$ -18,446,049 | |